

City Contracting Overview & PSC Survey Results

Civil Service Commission Meeting
June 5, 2023



CITY & COUNTY OF SAN FRANCISCO

Government Operations Recovery Initiative
Office of the City Administrator

Agenda

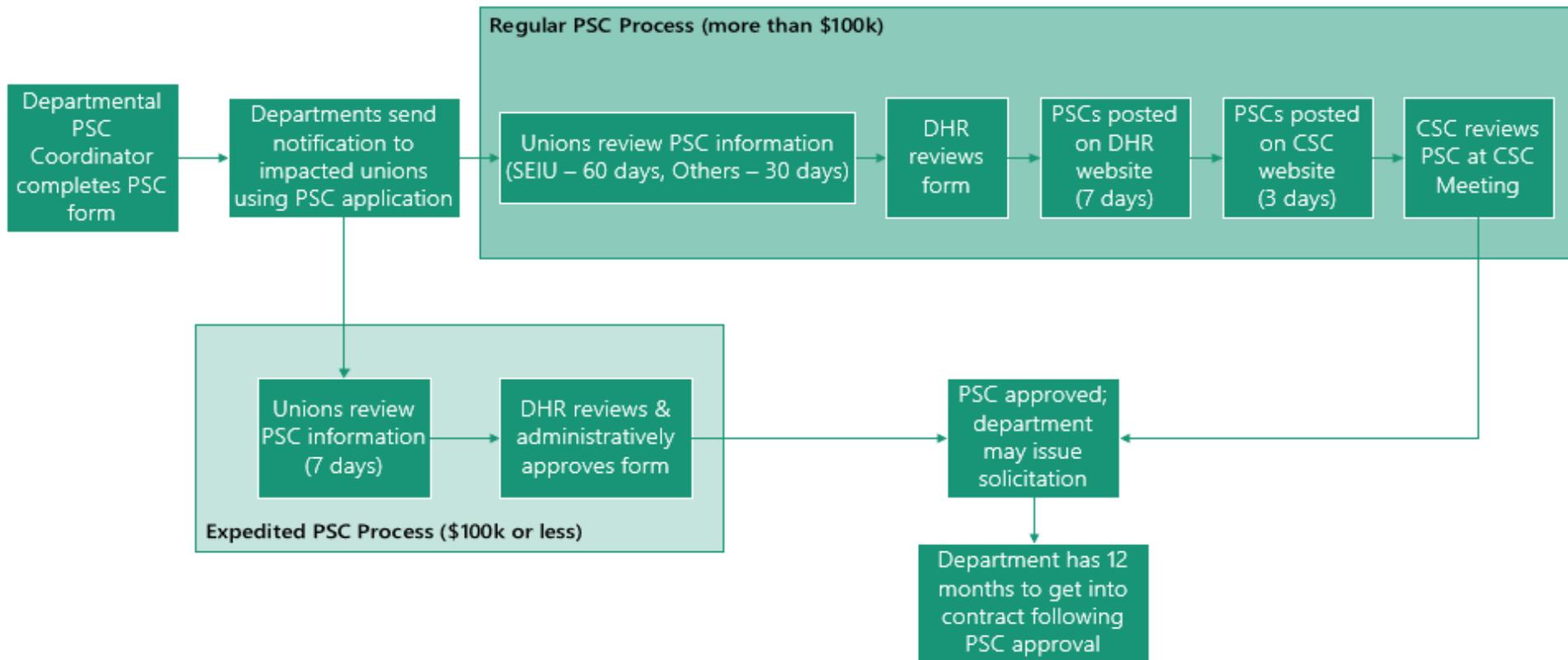
2

Topic	Slides
Background on City procurement process <ul style="list-style-type: none">• Process• Oversight• Transparency	3-6
PSC Survey <ul style="list-style-type: none">• Questions• Results• Ideas for improvement	7-11
Contract Manager Feedback on PSC Process	12
Closing + Q&A	13

PSC Process

3

The Personal Services Contracts (PSC) process has two paths as codified in Civil Service Commission (CSC) policy and Memoranda of Understanding:



The process map above represents the process for initial PSC requests only and does not include the process for modifications or other items.

City's Procurement Process

4

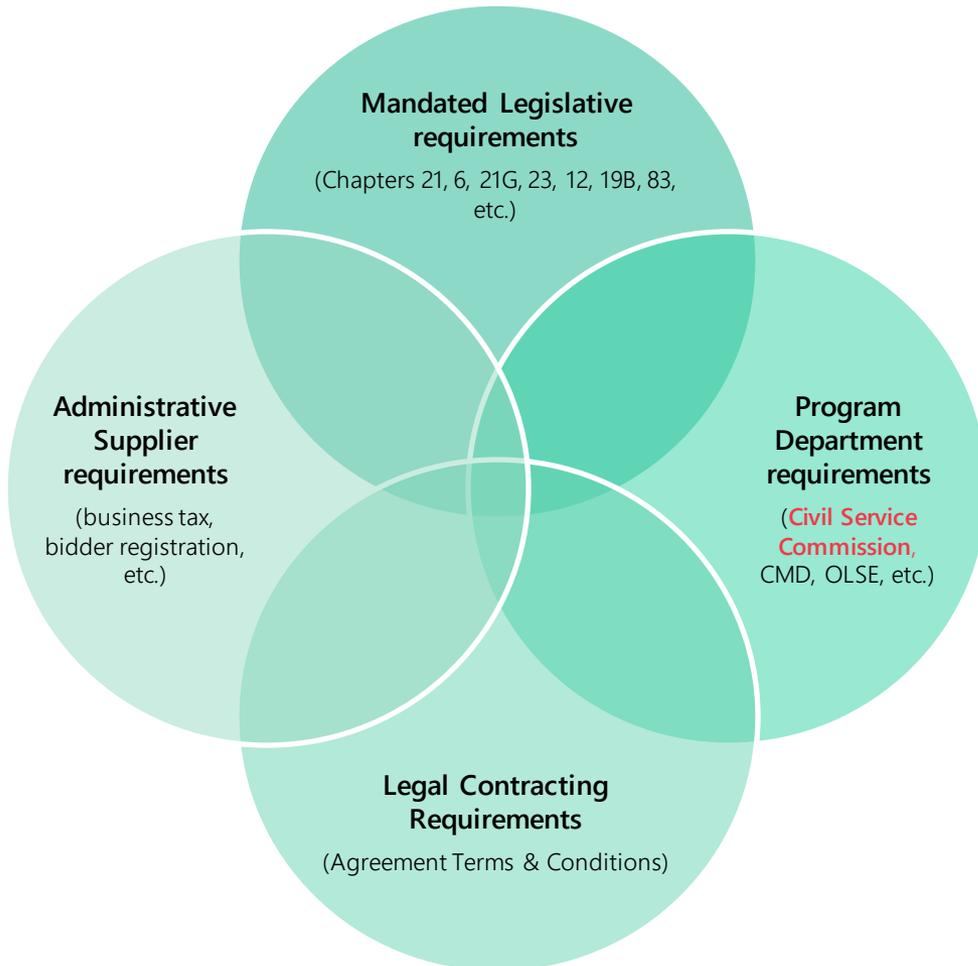
The City's procurement process follows seven major steps:

#	Process Step	Considerations	Timing
1	Identify Need & Determine Approach	<ul style="list-style-type: none"> Identify need Determine purchase authority, purchase type, & procurement vehicle 	2-4 weeks
2	Obtain PSC Approval	<ul style="list-style-type: none"> PSC submission, review, and approval 	2-3 months
3	Prepare & Issue Solicitation	<ul style="list-style-type: none"> Drafting solicitation documents Setting minimum qualifications (MQs) Setting 14B LBE Subcontracting goals Determining the appropriate level of insurance 	2-5 months
4	Solicitation Advertisement	<ul style="list-style-type: none"> Posting solicitation on SF City Portal and/or department website Q&A process Hosting pre-bid conference Assembling evaluation panel 	1-2 months
5	Evaluation & Award	<ul style="list-style-type: none"> MQ screening & proposal scoring Hosting & scoring an oral interview panel Applying all applicable Chapter 14B LBE Bid Discounts Issuing Intent to Award & fielding any protests from proposers 	1-1.5 months
6	Negotiate Contract	<ul style="list-style-type: none"> Negotiating Terms & Conditions Checking for compliance with City's programs and obtaining any necessary waivers Collecting program forms from winning proposer Collecting insurance documentation 	1-6 months
7	Approve & Execute Contract	<ul style="list-style-type: none"> Final legal approval by City Attorney Program department review for compliance with programs Final review and approval by OCA Circulate document for signatures Execute contract in City's PeopleSoft System 	1-2 months
Total			8.5 months – 1.5+ years

Oversight of Procurement and Contracting

5

The City's procurement landscape is governed by a complex set of requirements...



that are overseen by...

- Office of Contract Administration (OCA)
- Contract Monitoring Division (CMD)
- City Attorney's Office (CAT)
- Office of Economic and Workforce Development (OEWD)
- Committee on Information Technology (COIT)
- Office of Labor Standards Enforcement (OLSE)
- **Civil Service Commission (CSC)**
- Department of Technology (DT)
- Department of the Environment (DOE)
- Sweatfree Procurement Advisory Group (SPAG)
- Treasurer & Tax Collector (TTX)
- Controller's Office (CON)
- Risk Management (CAO)

The City currently provides for public input and oversight into contracting in the following ways:



All competitive solicitations are posted publicly, most on the SF City Partner Portal (some departments utilize their own bidding system)



Awarded contracts are typically approved by departmental commissions and are open to public comment



Contracts with a value of \$10 million or more or a duration of more than 10 years are approved by the Board of Supervisors and are open to public comment



Contracting information and waiver reports submitted to the Board of Supervisors are available on the City's Legistar platform



Data on all contracts awarded, to whom, payments made to date, and remaining balance is available on the SF Open Book website

Gov Ops circulated a survey to departmental CFOs and contracting staff and asked them to respond to the following questions:

- 1) As a contracting department, what is your **current level of satisfaction** with the PSC process?
- 2) What **parts of the PSC process work well** for you and your department?
- 3) Which **aspects of the PSC process are most challenging** for you and your department?
- 4) What is the **impact of the challenges** in question 3 on your department's contracting operations (e.g., length of time to execute a contract, staff resourcing, cost, etc.)?
- 5) Please share **suggestions on how the PSC process could be improved**.

The data that follows represents survey submissions from City department contracting staff received between 5/16/23 and 5/23/23.

PSC Survey Results

8

We received **70 responses** representing 42 unique City departments.



On a scale of 1 to 5, respondents reported an average satisfaction rating of **2.8/5** with the current PSC process.

What parts of the PSC process work well for you and your department?

19

respondents indicated that they enjoyed working with DHR and CSC staff

- Transparency and consistency
- Ability to submit the PSC form online
- Expedited process for contracts under \$100k
- Ability to plan ahead using the PSC calendar
- Documentation & policy guidance
- Recognition of PSC purpose

When asked to indicate their **top 3 challenges with the current PSC process**, respondents selected the following:

Challenge	Percent of Respondents
Overall PSC process duration	64%
12-month time limit between PSC approval and contract execution	37%
Understanding what is or is not a Personal Service Contract that must go through the PSC process	30%
Entering your PSC record in the PSC application	29%
Notifying DHR and union(s) using the PSC application	20%

What is the impact of the challenges in question 3 on your department's contracting operations (e.g., length of time to execute a contract, staff resourcing, cost, etc.)?

Major Themes

- The PSC process can increase the already lengthy contracting processing timeline, which impacts departmental operations.
- The lack of understanding about what must come to the CSC for approval may cause confusion, potential delays, and additional questions that DHR / CSC staff must respond to.
- Departments only have 12 months to get into contract once receiving a PSC approval. Depending on the length of the solicitation, evaluation, and contract negotiation process as well as departmental staffing levels, this period may not be sufficient, creating the potential for rework.
- Departments report challenges using the current PSC database, which can at times be slow and difficult to use.
- CSC meetings can be resource-intensive, as contracts managers and subject matter experts or other staff often attend without knowing if their PSC will be discussed and/or if they will need to respond to questions.



Policy



Process



Technology

Contract Manager Feedback on PSC Process

Closing + Q&A